

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 4392

IN THE MATTER OF:

Served September 28, 1994

Application to Transfer Certificate)
of Authority No. 85 from V.I.P.)
TOURS, a Partnership, to V.I.P.)
TOURS, INC., Trading as V.I.P. TOURS)

Case No. AP-94-35

By application accepted for filing August 5, 1994, V.I.P. Tours, a partnership (transferor), and V.I.P. Tours, Inc., trading as V.I.P. Tours, (transferee), a Maryland corporation, (collectively applicants) seek Commission approval to transfer Certificate of Authority No. 85 from the partnership to the corporation. In addition, transferee seeks authority to transport baggage in the same vehicles as passengers, which Certificate No. 85 does not affirmatively permit.

Notice of this application was served on August 10, 1994, in Order No. 4362, and applicants were directed to publish further notice in a newspaper and file an affidavit of publication. Applicants complied. The application is unopposed.

SUMMARY OF EVIDENCE

The application includes information regarding, among other things, transferee's corporate status, carrier affiliations, facilities, proposed tariff, finances, and regulatory compliance record. Also included is a copy of the certificate transfer agreement.

Transferee proposes conducting operations with a 33-passenger minibus and three 15-passenger vans. Transferee's proposed tariff contains per capita fares, with group discounts, for sightseeing tours and for transportation to and from Georgetown Day School.

Transferee filed a balance sheet as of August 4, 1994, showing assets of \$104,800; liabilities of \$77,000; and equity of \$27,800. Transferee's projection of revenue and revenue deductions for the first twelve months of WMATC operations shows revenues of \$90,000; deductions of \$50,027; and net income of \$39,973.

Transferee certifies it has access to, is familiar with, and will comply with the Compact, the Commission's rules and regulations, and United States Department of Transportation regulations relating to transportation of passengers for hire.

Transferee's stockholders are general partners in transferor who seek a change in form of ownership.

DISCUSSION AND CONCLUSION

The Compact, Title II, Article XI, Section 11(a), provides that: "A person may not transfer a Certificate of Authority unless the Commission approves the transfer as consistent with the public interest." Prior to the 1990 amendment of the Compact, effective 1991, the public interest analysis focused on the fitness of the acquiring party, the fairness of the purchase price, the resulting competitive balance, any dormancy of operating rights, and the benefits to the riding public.¹ The purchase price and dormancy inquiries are no longer relevant under the amended Compact.²

We find that transferee is fit. We also find that because transferee is merely stepping into the shoes of transferor and is not affiliated with any other WMATC carrier, there should be no adverse effect on the competitive balance in this market.³ The public benefits of the service conducted by transferor and to be conducted by transferee are self-evident and were established when transferor acquired Certificate No. 85⁴ in 1983.⁵

Accordingly, based on the evidence in this record, the Commission finds the transfer of Certificate of Authority No. 85 consistent with the public interest.

THEREFORE, IT IS ORDERED:

1. That the transfer of Certificate of Authority No. 85, from V.I.P. Tours, a partnership (transferor), to V.I.P. Tours, Inc., trading as V.I.P. Tours, 2107 Marbury Drive, District Heights, MD 20747, with added authority to transport baggage in the same vehicles as passengers, is hereby conditionally approved, contingent upon transferee's timely compliance with the requirements of this order.

2. That V.I.P. Tours, Inc., trading as V.I.P. Tours, is hereby directed to file the following documents with the Commission: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) four copies of a tariff or tariffs in accordance with Commission Regulation No. 55, plus an appropriate assignment, novation or consent agreement for each transferred contract; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of

¹ In re Richard W. Butler & Richard W. Butler, Jr., No. AP-94-27, Order No. 4355 (Aug. 1, 1994); In re Nation's Capital Sightseeing Tours & Ernest Harrelson, No. AP-86-40, Order No. 2953 (Dec. 22, 1986).

² Order No. 4355.

³ Id.

⁴ Id.

⁵ In re V.I.P. Tours, No. AP-83-10, Order No. 2447 (Aug. 9, 1983).


ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61, for which purpose WMATC No. 85 is hereby reassigned.

3. That upon timely compliance with the requirements of the preceding paragraph and acceptance of the documents required by the Commission, Certificate of Authority No. 85 shall be reissued to V.I.P. Tours, Inc., trading as V.I.P. Tours.

4. That V.I.P. Tours, Inc., trading as V.I.P. Tours, may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until Certificate of Authority No. 85 has been reissued in accordance with the preceding paragraph.

5. That unless V.I.P. Tours, Inc., trading as V.I.P. Tours, complies with the requirements of this order within 30 days from the date of its issuance, or such additional time as the Commission may direct or allow, the approval of transfer shall be void and the application shall stand denied in its entirety effective upon the expiration of said compliance time.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS DAVENPORT AND SHANNON:


William S. Morrow, Jr.
Acting Executive Director